

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 026904

15

ORIGIN IO-02

INFO OCT-01 NEA-01 ISO-00 /004 R

66611

DRAFTED BY: IO/CMD:HHOFFMAN/AD

APPROVED BY: IO/CMD:DFORMAN

----- 046585

R 060034Z FEB 75

FM SECSTATE WASHDC

TO AMEMBASSY ALGIERS

LIMITED OFFICIAL USE STATE 026904

FOLLOWING REPEAT VIENNA 10412 ACTION SECSTATE INFO
EC BRUSSELS GENEVA USUN NEW YORK OECD PARIS 17 DECEMBER.

QUOTE

LIMITED OFFICIAL USE VIENNA 10412

EO 11652: NA

TAGS: EAID EGEN OCON US UNIDO

SUBJ: UNIDO - FIFTH SESSION PERMANENT COMMITTEE FIRST PART

REF : (A) VIENNA 10229; (B) VIENNA 10244

SUMMARY: FIRST PART PC-V CONCLUDED EVENING DEC 13 WITH AGREE-
MENT AMONG GROUPS TO HAVE SECRETARIAT PREPARE "UNOFFICIAL"
PAPER JUXTAPOSING COMPARABLE ELEMENTS OF GROUPS B AND 77 AND
SOVIET PAPERS ON DECLARATION OF PRINCIPLES ON INDUSTRIAL-
IZATION AND PLAN OF ACTION. SECRETARIAT PAPER WOULD BE BASIS
FOR POSSIBLE "INFORMAL AND UNOFFICIAL" DISCUSSIONS DURING SECOND
PART OF FIFTH SESSION OF PERMANENT COMMITTEE JAN 20-27, 1975.
AS REPORTED REFTEL B, GROUP B PAPER SUBMITTED AS "CONFERENCE
ROOM PAPER" WITH EXPLICIT OFFER THAT IT SERVE AS ONE OF THE
BASES FOR NEGOTIATION. G-77 CIRCULATED ITS DRAFT DECLARATION
AND PLAN OF ACTION AS INFORMAL PAPER, NOT SUBJECT TO DISCUSSION
WITHIN FRAMEWORK OF PREPARATORY COMMITTEE. G-77 INTENDS TO HAVE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 026904

ITS MINISTERS MEET IN ALGIERS FEB 15-18 TO GIVE FINAL CONSIDER-

ATION TO THEIR DOCUMENT AND HAVE STATED THAT THEY UNALBE TO NEGOTIATE ON CONTENT OF THEIR DRAFT DELCARATION AND PLAN OF ACTION UNTIL AFTER ALGIERS. HOWEVER, G-77 LEFT OPEN POSSIBILITY OF "INFORMAL AND UNOFFICIAL" DISCUSSIONS, NOT NEGOTIATIONS, AT TIME OF RESUMED SESSION IN JAN. GENERAL FEELING IS GROUP B, WHICH WE SAHRE, IS THAT THERE LITTLE LIKELIHOOD OF ARRIVING AT EVEN PARTIAL AGREEMENT ON A DECLARATION AND PLAN OF ACTION PRIOR TO LIMA IF G-77 MAINTAIN UNWILLINGNESS TO ENTER INTO MEANINGFUL TALKS. THIS PERSPECTIVE MAY CHANGE, EVEN IF G-77 SHOULD TREAT DECLARATION AND PLAN OF ACTION WHICH EMERGES FROM ALGIERS AS NON-NEGOTIABLE EXPRESSION OF THEIR VIEWS TO LIMA MEETING, BUT BE WILLING TO WORK PRIVATELY WITH OTHER GROUPS ON POSSIBLE TEXT TO EMERGE FROM UNIDO-II. HOWEVER, GIVEN UNCERTAINTIES IN THIS RESPECT AND IN LIGHT OF UNACCEPTABILIBY OF PRESENT G-77 DRAFT, GROUP B SEES NEED TO CONSIDER TACTICS IN ORDER TO PREAPARE FOR POSSIBLE FAILURE TO REACH AGREEMENT AT LIMA AND TO AVOID ONUS OF FAILURE. FOR THIS PURPOSE GROUP B HAS SCHEDULED MEETING IN VIENNA JAN 15-17 PRIOR TO RESUMED PC-V SESSION END SUMMARY.

1. FIRST PART PC-V CONCLUDED EVENING DEC 13 UNDER TUNISIAN CHAIRMAN (MEJDOUB), WHO SUBSTITUTED FOR AVSENT FERNANDINI FOR MOST OF SESSION. REFLECTING VIW OF G-77, CHAIRMAN NOTED THERE WERE PAPERS OF GROUPS B AND 77 BEFORE PC-V AND THAT NEGOTIATION OF THEM IN THE PREPARATORY COMMITTED FRAMEWORK WAS NOT POSSIBLE, BUT THAT GROUP CHAIRMAN HAD AGREED THAT AN INFORMAL DIALOGUE, BUT NOT NEGOTIATIONS, SHOULD CONTINUE ON BASIS TF THESE PAPERS IN JAN. AT GROUP B SUGGESTION IT WAS ALOS AGREED THAT SECRETARIAT WOULD PREPARE FOR JAN MEETING UNOFFICIAL PAPER JUXTAPOSING POSITIONS OF TWO GROUP PAPES TO FACILITATE FUTURE TALKS ON UNDERSTANDING SECRETARIAT WOULD NOT COMMENT OR ANALYZE. AT SOVIET INSISTENCE, THEIR MEMORANDUM ON UNIOD II, CIRCULTED TO DELEGATIONS AT THIS MEETING, WOULD ALSO BE TAKEN INTO ACCOUNT IN SECRETARIAT PAPER.

2. LACK OF G-77 AGREEMENT TO BEGIN SERIUS DISCUSSIONS ON BASIS GROUP DRAFT AND THEIR OWN MOST DISAPPOINTING. GROUP B, BOTH IN PLENARY AND CORRIDORS, EMPHASIZED WILLINGNESS TO START CONSULTATIONS AND NECESSITY OF ARRIVING AT AS FULL AGREEMENT AS POSSIBLE ON A DRAFT OF A DECLARATION AND PLAN OF ACTION PRIOR TO LIMA IF CONFERENCE TO SUCCEED. WE ALSO STRESSED, TO NO AVAIL, LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 026904

MANDATE OF PREPARATORY COMMITTEE FROM GA RESOLUTIONS TO PREPRE DRAFT PROPOSALS FROR LIMA. FOLLOWING MANY CONVERSATINS WITH LDC DELAGATES, IT CLEAR THAT G-77 NOT WILLING TO NEGOTIATE THEIR DOCUMENT PRIOR ITS FINAL APPROVAL IN ALGIERS. WE SUSPECT THAT THEY FEAR THAT ANY NEGOTIATIONS WOULD REOPEN SUBSTANCE THEIR DOCUMENT WHICH THEY HAD GREAT DIFFICULTY GETTING AGREEMENT ON DURING DEC 5-11 RECESS. WHILE THIS MAY BE VALID CONCERN ON THEIR PART, IT THREATENS TO LEAVE US WITHOUT RESPONSIBLE

NEGOTIATING PARTNER PRIOR LIMA.

3. GROUP B AGREED IT SHOULD CONTINUE TO TENDER OFFER ONF NEGOTIATIONS. IT DISCUSSED POSSIBILITY OF INDIVIDUAL COUNTRIES UNDERTAKING DEMARCHES IN SELECTED LDC CAPITALS JPRIOR TO JAN QPAWU SESSION. IT ALSO AGREED THAT GROUP B SHOULD PREPARE FOR EVENTUALITY THAT LIMA WOULD END IN DISAGREEMENT AND THAT G-77 WOULD ATEMPT TO ALCE BLAME ON DEVELOPED COUNTRIES. GROUP DECIDED THAT ONE WAY TO TRY TO AVOID THIS RESULT WOULD BE TO SUBMIT A GROUP B DRAFT DECLARATION AND PLAN OF ACTION INCORPORATING ACCEPTABLE LANGUAGE OF G-77 DRAFT TO PREPARATORY COMMITTEE FOR FORWARDING TO LIMA CONFERENCE. SUCH A PROPOSAL WOULD DEMONSTRATE OUR ATTEMPT TO BE CONSTRUCTIVE AND POSITIVE. GROUP B AGREED TO MEET

JAN 15-17, PRIOR TO RESUMED SESSION, TO PREPARE SUCH A DRAFT AS WELL AS CONSIDER ISSUES OF INDUSTRIAL DEVELOPMENT FUND AND ADMINISTRATIVE AUTONOMY, WHICH WE EXPECT TO BE DISCUSSED AT RESUMED PC-V SESSION PURSUANT TO 29TH GA REFERRAL TO LIMA OF SYG'S REPORTS ON THESE MATTERS. THERE WAS GENERAL AGREEMENT THAT REPS FROM CAPITALS ATTEND. POSSIBLILITY WAS ALSO MENTIONED OF GROUP B MEETING IN OECD FRAMEWORK AT TIME OF WHAT WE UNDERSTAND TO BE AN ALREADY SCHEDULED OECD MARCH 5-6 AD HOC MEETING ON ECONOMIC DEVELOPMENT IN ORDER TO AFFORD OPPORTUNITY ASSESS SITUATION SUBSEQUENT TO G-77 ALGIERS MEETING. MOREOVER, GROUP B AGREED TO MEET FOR TWO DAYS IN LIMA, MARCH 10-11, IMMEDIATELY PRIOR TO OPENING OF UNIDO-II CONFERENCE.

4. WHILE DEPARTMENT WILL WANT TO ANALYZE G-77 DECLARATION AND PLAN OF ACTION IN DETAIL, IT SEEMS CLEAR TO US THAT RADICAL ELEMENTS CONTROLLED MUCH OF THE DRAFTING. FINAL VERSION, WHICH SURFACED MORNING DEC 12, DOES NOT DIFFER IN SUBSTANCE FROM FIRST VERSION CITED REFTEL A. MUCH OF LANGUAGE OF DECLARATION STRILIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 026904

DENT AND MANIFESTLY HOSTILE. HOWEVER, US IS IN BASIC AGREEMENT WITH NUMEROUS PARTS OF PLAN OF ACTION. THERE ARE ALSO A NUMBER WHICH GIVE US SERIUS DIFFICULTIES. WE, ALONG WITH UK AND FRG, TOOK NOTE OF BOTH POSITIVE AND OBJECTIONABLE SECTIONS OF G-77 TEXT IN PLENARY ON FINAL DAY. US DREW ATTENTION INTER ALIA TO CONTROVERSIAL ELEMENTS IN G-77 DRAFT REGARDING NATIONALIZATION ISSUE, ACTIONS OF PRODUCERS' ASSOCIATIONS, ANTI-CIPATORY ADJUSTMENT ASSISTANCE MEASURES BY DEVELOPED COUNTRIES, NON-RECIPROCAL TRADE PREFERENCES FOR LDC'S, AND CODES OF CONDUCT FOR TRANSNATIONAL CORPORATIONS, TRANSFER OF TECHNOLOGY AND LINER CONFERENCES.

5. AGENDA ITEM 6 (FOLLOW-UP TO LONG-RANGE STRATEGY) AND 7 E(EVALUATION) HANDLED IN ROUTING FASHION DURING LAST TWO DAYS US, UK, FRG, INDIA AND USSR PRINCIPAL SPEAKERS ON ITEM 6. ALL

URGED MORE SPEEDY SECRETARIAT ACTIONS WITH REGARD TO LONG-RANGE STRATEGY AND NEED TO LOOK AT UPCOMING PROGRAM/BUDGET FOR 1976-77 AT IDB IX WITH THIS IN MIND. SECRETARIAT (AFIFI) RESPONSE MADE POINT THAT IT IS PREMATURE AS YET UNDERTAKE EXTENSIVE SECRETARIAT REORGANIZATION RESPONSIVE TO RECOMMENDATIONS OF AD HOC COMMITTEE ON LONG-RANGE STRATEGY GIVEN FACT UNIDO ACTIVITIES AND INSTITUTIONAL ARRANGEMENTS WOULD BE DISCUSSED AT UNIDO-II. ALSO, USUAL ARGUMENT OF LACK OF FUNDS CITES AS REASON FOR INABILITY TO DO MUCH IN RESPONSE TO RECOMMENDATION I (STUDIES), WITH LENGTHY EXPLANATION THAT UNIDO EXPECTS TO BE IN \$5 MILLION DEFICIT AS RESULT OF SHORTFALL IN OVERHEADS OF UNDP PROJECTS UNDERTAKEN BY UNOD GIVEN ESTIMATED DELIVERY OF \$61.5 MILLION FOR 1976-77 BIENNIUM, WHICH SHORTFALL MIGHT HAVE TO COVERED FROM REGULAR BUDGET.

6. EVALUATION PUT OFF FOR UNSPECIFIED FUTURE SESSION, WITH US, UK AND FRG RECALLING IMPORTANCE THIS SUBJECT. SECRETARIAT (AFIFI) MADE SPECIAL POINT OF THANKING US FOR KITCHELL STUDY. HE SAID VISIT OF KITCHELL HAD BEEN EXTREMELY USEFUL TO SECRETARIAT.

7 DIRECTOR IPP LE GUAY DEFENDED SECRETARIAT DOCUMENT ID/B/C.3/27, PARTICULARLY PROPOSALS FOR SHARE TARGETS AND INTERNATIONAL CONSULTATIVE MACHINERY. HE ADMITTED HE WOULD NOT BE ABLE TO PRODUCE FOR JANUARY SESSION AN ECONOMETRICAL ANALYSIS OF PROPOSED SHARE TARGETS WHICH US REQUESTED IN ORDER TO GET SOME LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 05 STATE 026904

APPRECIATION OF WHAT TARGETS PROPOSED BY SECRETARIAT WOULD MEAN IN TERMS OF INVESTMENT AND JOBS. LE GUAY ADMITTED THAT TARGETS WERE NOT BASED ON ECONOMIC EVALUATIONS BUT WERE TARGETS OF "POLITICAL WILL" BASED IN THE FIRST INSTANCE ON THE SHARE TARGET ADOPTED FOR AFRICA BY THE AFRICAN MINISTERS IN THEIR CAIRO DECLARATION ON INDUSTRIALIZATION LAST DEC. STIBRAVY UNQUOTE KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, LESS DEVELOPED COUNTRIES, INDUSTRIAL DEVELOPMENT, UNIDO II, CONSULTANTS
Control Number: n/a
Copy: SINGLE
Draft Date: 06 FEB 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE026904
Document Source: CORE
Document Unique ID: 00
Drafter: IO/CMD:HHOFFMAN/AD
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750043-0532
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750266/aaaachdk.tel
Line Count: 208
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN IO
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 VIENNA 10229, 75 VIENNA 10244
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 31 MAR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <31 MAR 2003 by BoyleJA>; APPROVED <19 MAY 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNIDO - FIFTH SESSION PERMANENT COMMITTEE FIRST PART
TAGS: EAID, EGEN, OCON, US, UNIDO
To: ALGIERS
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006